## **Introduced by Senator Cox**

February 10, 2010

An act to amend Section 32132.5 of the Health and Safety Code, relating to health care districts.

## LEGISLATIVE COUNSEL'S DIGEST

SB 1005, as introduced, Cox. Public contracts: health care districts: design-build.

Existing law provides for local health care districts which govern certain health care facilities. Each health care district has specific duties and powers respecting the creation, administration, and maintenance of the districts, including to purchase, receive, take, hold, lease, use, and enjoy property of every kind and description of property within the district. Existing law establishes design-build bidding procedures for the award of construction contracts that, if adopted by a county, require the submission of information under penalty of perjury.

Existing law permits the Sonoma Valley Health Care District, upon the approval of its board of directors, to use a design-build procedure when assigning contracts for the construction of a building and improvements directly related to a hospital or health facility building at the Sonoma Valley Hospital.

This bill would allow a health care district, upon approval of its board of directors, to use the design-build procedure to assign contracts for the construction of a hospital or health facility building.

This bill would require specified information to be verified under oath, thus imposing a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

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This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. The Legislature finds and declares all of the 2 following:
  - (a) Utilizing a design-build contract requires a clear understanding of the roles and responsibilities of each participant in the process.
  - (b) Cost benefits for health care districts are achieved by shifting liability and risk for cost containment and project completion to the design-build entity.
    - (c) It is the intent of the Legislature that the design-build process be used by health care districts solely for buildings associated with hospitals and health care and not for other infrastructure, including, but not limited to, street, highways, public rail transit, roads, bridges, other water resources facilities, and related infrastructure.
  - SEC. 2. Section 32132.5 of the Health and Safety Code is amended to read:
  - 32132.5. (a) Notwithstanding Section 32132 or any other provision of law, upon approval by the board of directors of the Sonoma Valley Health Care District, the its board of directors, a health care district may use the design-build procedure described in Section 20133 of the Public Contract Code may be used to assign contracts for the construction of a building or improvements directly related to construction of a hospital or health facility building at the Sonoma Valley Hospital building.
  - (b) For purposes of this section, all references in Section 20133 of the Public Contract Code to "county" and "board of supervisors" shall mean the Sonoma Valley Health Care District health care district and its board of directors.
- 28 (c) A hospital building project utilizing the design-build process 29 authorized by subdivision (a) shall be reviewed and inspected in 30 accordance with the standards and requirements of the Alfred E.
- 31 Alquist Hospital Facilities Seismic Safety Act of 1983 (Chapter 1
- 32 (commencing with Section 129675) of Part 7 of Division 107).

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(d) Except as provided in this section, this section shall not be construed to affect the application of any other law.

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2 construed to affect the application of any other law.
3 SEC. 3. No reimbursement is required by this act pursuant to
4 Section 6 of Article XIIIB of the California Constitution because
5 the only costs that may be incurred by a local agency or school
6 district will be incurred because this act creates a new crime or
7 infraction, eliminates a crime or infraction, or changes the penalty
8 for a crime or infraction, within the meaning of Section 17556 of
9 the Government Code, or changes the definition of a crime within
10 the meaning of Section 6 of Article XIIIB of the California
11 Constitution.